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ABSTRACT

This document summarizes employment statistics and trends, with a geographic emphasis on areas where Queensborough Community College (New York) students and graduates seek employment. Data are presented on the following: (1) current and projected United States labor force; (2) occupational outlook; (3) employment status of civilian labor force 25 years old and up by educational attainment; and (4) regional comparisons, effects of the World Trade Center disaster on New York State and New York City. With respect to the United States labor force, the Bureau of Labor Statistics projects 1.2% annual growth rate to continue through 2008, adding 17 million workers during this time period. Demographic shifts that will accompany this growth will include: (1) the youth labor force (16-24 year olds) is expected to grow faster than the overall work force; and (2) women will continue to increase their participation rates to 48% of the labor force. The report also identifies essential skills necessary for entry-level employment (i.e., interpersonal skills, writing, speaking and listening, computer skills for simple tasks, and reading and numeric/computation skills at the 9th-grade level). (Contains 35 references.) (Author/RC)

Labor Trends:

Overview of the United States, New York City, and Long Island

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PURPOSE OF REPORT

This report is a summary of employment statistics and trends, with a geographic emphasis on areas where Queensborough Community College students and graduates tend to look for work. The various areas of the college may use this collection of information for their own purposes, and can secure help in interpreting this information by contacting The Office of Institutional Research and Assessment.

INTRODUCTION

According to the New York Times article "A Bruised Economy Leaves Everyone Guessing" by David Leonhardt, the United States economy started its first recession in 10 years in the first quarter of 2001 and incurred an additional push into an economic downturn from the terrorist attacks of September 11, 2001.

However, according to Leonhardt, despite the economic downturn and the September 11th attacks, the US economy is in better condition than one would expect. Inflation is no longer negating workers' pay raises and companies are operating more efficiently. New security measures do not seem to be too terrible a burden on US businesses. In addition, consumers and businesses are not short on cash, a result of lower energy prices and interest rates. This author says that "it is expected that the current downturn will not stretch well into 2002."

Yet, unemployment is expected to rise for much of 2002. As we have witnessed in past recessions, companies usually cut their costs, including their payrolls, until revenues grow at a healthy rate.

In "Jobs That Recession May Never Touch", Weld Royal points out that despite the economic downturn, some professions appear recession proof. There are not enough people to fill the open positions for certain professional jobs such as:

- Accountants
- High school teachers
- Health care workers
- Computer engineers

In addition, other fields have joined the list since the September 11th attacks, including:

- Security
- Biotechnology
- Bioinformatics

With current unemployment expected to rise in 2002, it is projected that the labor force will continue to expand, bringing changes in the demographics of the future American workforce. The largest increases are expected in four demographic categories: youth (ages 16-24), women, Hispanics, and Asians.

Our economy is being driven by jobs that require skills in technology, ease in handling and disseminating information, and higher levels of knowledge. As a result, the U. S. Department of Labor says that the country's employers want the labor pool to keep their skills current for today's and tomorrow's workforce needs. Higher education is required for securing the best paying jobs and for entering the fastest growing industries.

This overview of labor trends in the United States, New York City, and Long Island is a compilation of information and statistics derived from nine major sources:

1. Bureau of Labor Statistics
2. Lebenthal & Co., Inc.
3. National Center for Higher Education Management Systems
4. New York State Department of Labor
5. Queens County Overall Economic Development Corporation
6. Suffolk County Department of Labor
7. The New York Times
8. U. S. Department of Commerce/Bureau of Economic Analysis
9. U. S. Department of Labor

CURRENT & PROJECTED U.S. LABOR FORCE

In December 2001, the civilian labor force consisted of 142.3 million people. The Bureau of Labor Statistics of the U.S. Department of Labor reported that employment continued to decline in December with the unemployment rate rising up to 5.8 percent.

Major Indicators of Labor Market Activity, seasonally adjusted

Labor Force Status	December 2001
Civilian labor force	142,314,000
Employment	134,055,000
Unemployment	8,259,000

(Source: NEWS Bureau of Labor Statistics, US. Dept. of Labor)

Since the recession began in March, the number of nonfarm payroll jobs has declined by 1.4 million. In December 2001, large declines continued in manufacturing, air transportation, retail trade, and specific supply services. Employment increased in health services, private education, and government.

The services industry added 72,000 jobs in December 2001, following two months of employment declines totaling 248,000. Job gains continued in health services as the industry added 31,000 jobs over the month; there was a total of 304,000 jobs in 2001 with 136,000 in hospitals. Educational services also had a strong employment gain in December 2001 (28,000); this industry added 112,000 jobs over the year. Job losses continued in hotels and other lodging places.

Retail trade employment decreased by 77,000, seasonally adjusted, in December 2001. This was the fifth consecutive monthly decline. Continued weak hiring for the holiday shopping season contributed to December job losses. Since its peak in November 2000, the industry has lost 136,000 jobs.

Government employment increased by 63,000 in December 2001. Both state and local government showed employment gains (19,000 and 36,000, respectively) with much of the growth in education.

Employment in finance grew by 5,000 in December. Refinancing activity continued to spur job growth in mortgage banking. However within the financial sector, security and commodity brokerages and real estate employment did decline.

Employment declines continued in transportation and public utilities with a loss of 36,000 jobs in December 2001. As was the case in October and November 2001, employment fell sharply in air transportation (-26,000) and transportation services (-6,000), which includes travel agencies. Communications lost 6,000 jobs in December 2001 and public utilities lost 5,000 jobs.

The number of unemployed persons continued to rise in December 2001, reaching 8.3 million (after seasonal adjustment). The unemployment rate was up by 0.2 percentage points to 5.8 percent. Over the year, the number of unemployed persons increased by 2.6 million and the unemployment rate rose by 1.8 percentage points.

U.S. Unemployment Rates, December 2001

Unemployment Rates	December 2001
Total unemployment	5.8
Adult Men (20Years plus)	5.2
Adult women (20Years plus)	5.2
Teenagers (16 to 19 years old)	16.2
White	5.1
Black	10.2
Hispanic origin	7.9

(Source: NEWS Bureau of Labor Statistics, U.S. Dept. of Labor)

Throughout the year 2001, unemployment rates rose across the board for adult men, adult women, teenagers, whites, blacks, and Hispanics, leaving the overall unemployment rate at a high of 5.8 percent in December 2001. Teenagers aged 16 to 19 years old, blacks, and persons of Hispanic origin experienced the highest unemployment rates of 16.2 percent, 10.2 percent, and 7.9 percent respectively.

The private sector reported average hourly earnings of \$14.61 and average weekly earnings of \$499.66 in December 2001. Over the year, average hourly earnings and average weekly earnings each rose by 4.1%

U.S Average Earnings, December 2001

Preliminary Average Earnings	December 2001
Average hourly earnings private sector	\$ 14.61
Average weekly earnings private sector	\$499.66

(Source: NEWS Bureau of Labor Statistics, U.S. Dept. of Labor)

Projected Labor Force

The Bureau of Labor Statistics projects that the U.S. labor force will continue to grow 1.2% annually for the decade 1998 through 2008, adding 17 million workers during this period. As the labor force grows, demographic shifts will occur. For example, the Bureau of Labor Statistics projects that from 1998 to 2008 the demographics of the workforce will experience the following:

- The youth labor force of 16 to 24 year-olds is expected to grow faster than the overall work force
- Women will continue to increase their participation rates to 48% of the labor force
- Hispanics and Asians will enter the labor force at much higher rates than will whites and blacks
- The majority of workers (71%) are still expected to be white in 2008

Education and Training

One of the major concerns of America's employers is whether or not the growing labor force will have the training necessary to fill their job openings. According to a report by the U. S. Department of Labor, America faces a skills shortage rather than a worker shortage.

Even though the majority of workers will remain in occupations that do not require a bachelor's degree, the U.S. Department of Labor says that the best jobs will require education and training. The Bureau of Labor Statistics points out that the average job growth rates are expected to be very strong for occupations involving at least an associate degree. The Department of Labor emphasizes that occupations requiring a college degree are growing twice as fast as others; the Department's list of the 20 occupations with the highest earnings indicates that every job on the list requires at least a bachelor's degree.

College graduates earn significantly more than high school graduates. The Department of Labor collected the following statistics that summarize key findings about the education and earnings of high school and college students.

- The average college graduate earns 71% more than the average high school graduate; up from 38% in 1979
- 2 out of 3 high school graduates entered college in Fall 1998
- Almost two-thirds of the new 1998 college students attended 4 year institutions; the rest attended 2 year colleges
- In 1997, 88% of young whites and 86% of young African Americans graduated from high school; Asian Americans had the highest high school graduation rates at more than 90%; and young Hispanics had a much lower rate at 62%
- African Americans and Hispanics lag behind whites in college attendance; and, therefore, lack access to many of the skills provided by higher education

Skills

According to the U. S. Bureau of Labor, more jobs now and in the future will require verbal and mathematical skills, as well as organizational and interpersonal skills, and high tech skills. Employers are seeking job applicants with cognitive and communication skills, and educational credentials.

In 1998, the American Management Association surveyed mid-size and larger businesses in relation to the match-up between job candidates' skills and those skills required by employers. According to the survey results, 36% of the job applicants taking employer-administered tests lacked the math and reading skills necessary for the jobs for which they were applying. Two years earlier in 1996, only 19% lacked the math and reading skills. The American Management Association attributes this dramatic increase in unqualified job applicants to the higher literacy and math skills required in today's workplace. As the level of required on-the-job skills has increased, the skills of the labor pool have not accelerated at the same pace.

The National Center for Higher Education Management Systems (NCHEMS) produced a newsletter in June 2000 describing the results of an employer survey they conducted to determine the types of knowledge and skills employers will be looking for in their future employees, including recent college graduates. The following is a summary of the study's results.

Mostly comprised of personnel directors and CEO's, the employers interviewed identified the following knowledge, skills, and attitudes necessary for success in the 21st Century workforce:

- A. Attitudes and personal characteristics (adaptability, reliability)
- B. Essential skills for entry level employment (computer skills, reading)
- C. Integrative-applied skills, which are "essential skills", applied in more complex situations (critical thinking, presentation skills)
- D. Premium skills, which are not mandatory, but are important additions to "essential" and "integrative-applied" skills (ethics, "multicultural" competence skills)

A. Attitudes and Personal Characteristics

- Adaptability/flexibility/resiliency/ability to accept ambiguity
- Common sense and ability to anticipate consequences
- Creativity
- Empathy
- Positive attitude/good work ethic/ability to self manage
- Reliability and dependability
- Responsibility/honesty/integrity

According to the NCHEMS study, employers need employees with basic workplace skills—being able to read simple documents, knowing how to present oneself in an interview, and having a good work ethic (showing up on time and completing tasks). Employers complained about the lack of these skills among all employee educational levels, from a high school diploma or less to bachelor's degrees and higher.

B. Essential Skills Necessary for Entry Level Employment

- Computer skills for simple tasks (word processing)
- Interpersonal skills/team skills
- Numeric and computation skills at a ninth-grade level
- Reading at a ninth-grade level
- Speaking and listening
- Writing

NCHEMS reported that when an employee cannot communicate adequately, either orally or in writing, they tend to be ineffective when working with co-workers and customers. Employers also expressed concern about "people skills"—teamwork, managing others, resolving conflict, and responding to customers.

The report summarized employers concerns over perspective employees lack of 'people skills' by stating that "Human resource personnel at several large hospitals in one area recounted the difficulty in finding nursing personnel who are capable of working effectively with their coworkers and who are responsive to patient needs and concerns."

C. Integrative-Applied Skills Used in More Complex Situations

- Application of technology to tasks
- Critical thinking
- Customer contact skills
- Information use skills
- Presentation skills
- Problem-recognition/definition/solution formulation
- Reasoning

NCHEMS says that employers want employees who are capable of working in teams, able to switch between taking leadership positions and serving in support roles, analyzing customer problems which include creating solutions with fellow team members, and communicating solutions to the customer.

D. Premium Skills, not mandatory but important additions

- Ability to understand organizational and contextual issues (legal, environmental)
- Basic resource management, budgets
- Ethics
- Foreign language fluency

- Globalism, international skills (understanding international systems and their implications for business)
- "Multicultural" competence skills (a familiarity with how different nations operate and interact as well as an openness to new cultures)
- Negotiation skills
- Project management and supervision
- Systems thinking

The list above reflects the need for employees to know the internal organizational issues (legal, environmental), to be comfortable with different cultures, and to be able to handle complicated and/or changing projects.

Employers' comments on the skills of recent graduates include these frequently heard examples:

- "Many recent graduates cannot communicate effectively (in writing or orally)"
- "Cannot solve real world 'messy' problems"
- "Have difficulty working in teams"

In conclusion, NCHEMS makes the following recommendations to colleges for training their undergraduates as they join the workforce.

- Students need to write more.
- Teach students to construct strong sentences,
- Teach students how to write in different contexts such as memos for their boss or colleagues
- Train students to write under tight time constraints in which they cannot re-read and revise their work.
- Expose students to solving and identifying real world "messy" problems. NCHEMS said that many of the employers interviewed are "quite satisfied with recent college graduates' abilities to solve problems; it is finding the right problem to solve that stumps many graduates."

OCCUPATIONAL OUTLOOK

The Bureau of Labor Statistics examined job growth by industry and found that growth will continue to concentrate in the service sector, with almost half of national employment coming from business, health, and engineering/management/other services. And, throughout the job market, technology is making a strong impact.

Technology

Technology is significantly influencing the job market. The U. S. Department of Labor reports that in five years, almost half of all workers will be employed in industries that produce or are intensive users of information technology. They predict that technology will affect the U.S. workplace in the following ways:

- Use of computers and Internet in workplaces will dramatically increase
- New high-skilled jobs will be created
- Demand for low-skilled jobs will decrease

The U.S. Department of Labor also described technology's current impact on the workplace:

- The average high-tech job pays 78% more than the average non-high-tech jobs (\$53,000 compared to \$30,000)
- Technology is removing barriers in the workplace for people with disabilities
- A July 1999 Commerce Department Report found that between 1997 and 1998, the gap in Internet access between those at the highest and lowest income levels grew by 29%. Whites are more likely to have access from home than are African-American or Hispanics from any location.

Occupations and Education

The U.S. Department of Labor found that the occupational groups that require the most education are projected to be among the fastest growing careers. Employment in professional specialty occupations is projected to increase the fastest, while technicians and related support occupations will have the second fastest growth rate.

Fastest Growing Occupations: Selective List June 2000
Computer engineers
Medical assistants
Computer support specialists
Paralegals
Database administrators
Personal care and health aides
Data processing equipment repairs
Physician assistants
Dental hygienists
Residential counselors
Desktop publishing specialists
Securities and financial sales workers
System analysts

(Source: U.S. Department of Labor, Futurework Report)

In addition, NCHEMS (National Center for Higher Education Management Systems) produced a newsletter in June 2000 in which they examined occupational growth rates by the amount of education required and found that:

“Projected growth rate in occupations between 1996 and 2006 indicate that many jobs will require some formal education beyond high school. For example, eighteen of the Department of Labor’s twenty-five occupations with the greatest expected percentage growth rates (as well as high pay and low unemployment rates) require at least a bachelor’s degree. And the twenty highest paying occupations require a bachelor’s degree. Obviously, many of the fastest growing occupations will require some amount of postsecondary education and/or training.”

In December 2001, the higher the educational attainment, the lower the unemployment rate compared to the same month last year. College graduates have an unemployment rate of 2.8 while employees with varying degrees of lesser education have unemployment rates that range from 4.0 to as high as 9.0

Employment Status of Civilian Labor Force 25 years old and up by Educational Attainment

Comparison of Adult Employment Status by Educational Attainment (000's)		
	Dec. 2000	Dec. 2001
LESS THAN HIGH SCHOOL DIPLOMA		
Civilian labor force	11,797	12,195
Employed	11,049	11,099
Unemployed	748	1,097
Unemployment rate	6.3	9.0
HIGH SCHOOL GRADUATE, NO COLLEGE		
Civilian labor force	37,385	37,036
Employed	36,111	35,248
Unemployed	1,274	1,789
Unemployment rate	3.4	4.8
LESS THAN A BACHELOR'S DEGREE		
Civilian labor force	33,128	33,563
Employed	32,298	32,216
Unemployed	829	1,347
Unemployment rate	2.5	4.0
COLLEGE GRADUATES		
Civilian labor force	36,479	37,071
Employed	35,974	36,045
Unemployed	505	1,026
Unemployment rate	1.4	2.8

(Source: NEWS Bureau of Labor Statistics, US. Dept. of Labor)

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Occupations and Earnings

Occupations with the highest earnings also require strong educational credentials.

10 Occupations with the Highest Earnings, June 2000
Physicians
Physicists and astronomers
Dentists
Engineering, natural science, and computer and information systems managers
Podiatrists
Optometrists
Aircraft pilots and flight engineers
Aerospace engineers
Lawyers
Petroleum engineers

(Source: U.S. Department of Labor, *Futurework Report*)

It appears that the way to increase earnings is through higher education. The table below shows that, of the four groups compared, only college graduates earned more money in real dollars in 1998 compared to 1979. The other three groups did not keep pace with inflation.

Typical Weekly Earnings for Full-time Workers Aged 25 and Over by Education (1998 dollars)		
	1998	1979
Less than high school diploma	\$337	\$462
High school graduate, no college	479	548
Some college or associate degree	558	621
College graduate	821	758

(Source: Department of Labor *Futurework Executive Summary*)

REGIONAL COMPARISONS

According to the Bureau of Labor Statistics, there were almost 130 million full and part time workers on payrolls in the year 2000. Pay rose 5.9% in 2000; The Bureau of Labor Statistics reports that this was the largest increase in average annual pay since 1982 when pay rose by 6.7%.

Average annual pay gains have been stronger in the private sector compared to the public sector from 1995 to 2000. The Bureau of Labor Statistics says "Since 1995, pay has grown by 18% in the public sector, 11 percentage points below the 29% growth rate in the private sector. Over the past 10 years, average annual pay for government employees has risen by 39%, while pay for private industry workers has increased by 52%."

According to the US Department of Labor, the top four U.S. states by average pay level in the year 2000 are all located in the Northeast:

1. Connecticut \$45,445
2. New York 44,942
3. Massachusetts 44,326
4. New Jersey 43,691

In New York State, the industry with the highest average annual pay level is finance/insurance/real estate at \$108,561. Wholesale trade, manufacturing, and transportation/communications/public utilities are all above the state average of \$44,942. Construction, government and services all fall slightly below the state average while retail trade is 54% below the state average at \$20,537.

Average Annual Pay Levels by Industry in New York State, 2000

New York State Industries	Average Annual Pay 2000
Finance, insurance, & real estate	\$108,561
Wholesale trade	52,521
Mining	52,129
Manufacturing	51,462
Transportation, communications, & public utilities	48,937
Construction	43,807
Government	40,970
Services	38,293
Retail trade	20,537

(Source: Bureau of Labor Statistics, US Dept of Labor)

New York City, combined with Nassau and Suffolk counties, represents over 50% of the labor force and creates over 50% of the jobs in New York State.

Fifty-four percent of New York State's civilian labor force resides in New York City and Nassau-Suffolk counties. Over one third of the state's civilian labor force is in New York City alone.

Looking at non-farm employment, 57% of jobs are located in New York City and Nassau-Suffolk counties, with over 40% coming from New York City.

Regional Economic Comparisons, May 2000

	NY State	NYC	% of State	Nassau-Suffolk	% of State
Civilian Labor Force	9,028,500	3,459,600	38%	1,439,300	16%
Total Non-Farm Jobs	8,633,400	3,698,300	43%	1,233,700	14%

(Source: Bureau of Labor Statistics)

September 2001 data reveals that unemployment has crept up. The Nation's September 2001 unemployment rate was 4.9%, New York State's rate increased to 4.8%, and NYC's rate increased to 6.2%.

Suffolk County's September 2001 unemployment rate was 3.6%, down from last month's 3.7% but up from last September's 3.3%. Nassau County's September 2001 unemployment rate was 3.5%, up from last month's 3.2% and last September's 3.1%.

Unemployment Rates, September 2001

US	New York State	New York City	Suffolk County	Nassau County
4.9	4.8	6.2	3.6	3.5

(Source: Suffolk County Department of Labor Economic Indicator Report 11/01)

Effect of the World Trade Center Disaster on New York State and New York City

As the tenth largest economy in the world, New York State faces some serious budgetary issues resulting from the World Trade Center disaster and an economic recession which began before 9/11. In their 10/23/01 Fundamentals of Credit Analysis report, Lebenthal Municipal Research reported that Governor Pataki estimates that the World Trade Center disaster impact is from 3 billion to 9 billion dollars over the next 18 months and has put an immediate lid on spending.

In their 10/19/01 report "New York City: A Post September 11th Perspective", Lebenthal Municipal Research explained the initial effect of the World Trade Center disaster on the local economy.

"Over the last four years, NYC's economy has demonstrated exceptional job growth of about 340,000 new jobs. Recently, about 100,000 jobs are estimated to have been lost as a result of the WTC disaster. This still gives the City a net gain of 240,000 jobs. The WTC disaster is a blow to city economy, which was coming through a nationwide slow down quite smoothly before 9/11. Reduced tax revenues resulted from a downturn in the tourist and restaurant business as well as the interruption of businesses in the downtown area."

Job losses were greatest in such areas as:

- Securities industry
- Tourism
- Retail trade
- Business services

Many downtown New York City businesses had to relocate outside of the city after September 11th. It is not known when, or how many of, these businesses will be returning to New York City. In addition, the tourist industry has been negatively affected by the disaster. It is not known how long these two major reasons for city revenue losses will continue to affect the local economy.

However, the City was in good financial shape before September 11th, despite having to deal with the preceding recession. According to Lebenthal's Municipal Report, New York City's economy had "strengthened over the last several years . . . has better equipped the city to manage these new challenges, as well as the challenges endemic to the city."

Queens

With 658,417 jobs in 1999, Queens has its largest concentration of jobs in the service industry (40%). Transportation/public utilities and retail trade account for 30% of the jobs.

Top Queens Industries by Percentage of Total Number of Jobs, 1999

Industry	Percent of Jobs*
Services	38%
Retail Trade	14
Transportation, Public Utilities	14
Manufacturing	8
Construction	8
Finance, Insurance, Real Estate	7
Government	6
Wholesale Trade	5

* Total # of Jobs in Queens 1999, full and part time = 658,417

(Source: U.S. Department of Commerce, Bureau of Economic Analysis)

The Queens County Overall Economic Development Corporation publishes a newsletter that tracks the borough's economy. The following overview of Queens was derived from their most recent issue dated Fall 2001:

"It is expected that the Queens 2001 employment data will follow that of New York City. For example, in 2001 New York City health care equipment and construction employment grew while manufacturing employment fell. In the month following the attack, the area saw job losses and a downturn in economic indicators. New York City lost an estimated 110,000 jobs within the first 30 days after the attack. Some economists have suggested that the events of 9/11 pushed the already flattening economy into a recession. The infusion of Federal, State and City funds may help to mitigate the economic and fiscal impact of this disaster."

Since September 11th, there is concern as to how the WTC disaster will affect airport-related businesses. It is not known yet how many job losses will result in these businesses. The air passenger and freight transportation industry is one of the largest industries in Queens, with a total employment of 41,300 and one of the highest average salaries in Queens, \$45,500.

Loss of air transport jobs will also affect travel agencies, restaurants, computer and data processing, trade and other industries; as well as taxi and limousine services and the hotel industry.

Financial help is available to Queen's businesses that have been adversely affected by the World Trade Center disaster; this program is called Emergency & Disaster Business Assistance. Businesses in Queens can call 1-800-659-2955 to register and request an application for Economic Injury Disaster Loans (EIDL) from the U.S. Small Business Administration.

Technology in Queens

The computer services industry, which has been a major source of job growth in Manhattan, is still relatively small in Queens, with a total employment of 1,575 as of the second quarter of 1999.

Even though they represent a small portion of the job sector in Queens, technology-related positions pay the highest wages.

Queens Top 10 Industries by Wages, June 1999

<u>Industry</u>	<u>Average Annual Wages</u>
Computer & Data Processing Services	\$55,562
Communication	54,269
Depository Institutions	46,519
Hospitals	45,561
Construction	45,148
Government	43,069
Air Transportation	42,001
Wholesale Trade	40,406
Transportation Services	39,512
Insurance Carriers & Agents	39,307

(Source: Queens Global Business Outlook, Queens County Overall Economic Development Corporation, Vol. 1, No. 2, Spring 2000)

LONG ISLAND

For September 2001, the Suffolk County Department of Labor Economic Indicator Report showed that Long Island had slightly more than 1.2 million jobs.

From September 2000 to September 2001, the report indicated that Long Island posted a net increase of 16,300 jobs over the previous year. This gain was mostly due to increases in three main industries:

<u>Industry</u>	<u># Jobs Gained 9/00 to 9/01</u>
Services	8,000
Government	4,300
Wholesale/Retail trade	4,200

The Manufacturing sector experienced a large loss in the same year-long period and was down by 2,700 jobs.

The New York State Department of Labor depicts the current and projected job market in Long Island using three categories: Fastest Growing Occupations, Occupations with the Most Openings, and the Highest Paying Occupations.

Top 10 Occupations with the Most Net Openings Projected, Long Island

Occupation	Annual Net Openings 1998-2008	Employment Base 1998	Median Hourly Wage 1998
Salesperson, retail	2,190	46,540	\$7.86
Cashiers	1,670	30,710	6.66
Clerks, general office	1,340	32,060	10.99
Teachers, secondary school	1,040	16,440	28.54
Food preparation workers	960	15,910	6.66
Waiters and waitresses	900	14,740	6.08
General managers & top executives	840	25,700	39.08
Registered nurses	770	20,420	26.00
Teachers, elementary	690	13,900	28.18
Sales supervisors	680	29,390	17.31

(Source: New York State Department of Labor)

Top 10 Highest Paying Occupations, Long Island

Occupation	Median Hourly Wage	Employment Base 1998
Chiropractors	\$60.00	1,050
Physicians & surgeons	57.18	10,000
Dentists	52.43	2,410
Chemical Engineers	46.52	260
Education administrators	40.08	6,490
Podiatrists	40.01	220
Health practitioners	39.43	130
General managers & top executives	39.08	25,700
Lawyers	38.59	8,250
Engineering, mathematical, natural sciences managers	38.45	2,620

(Source: New York State Department of Labor)

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Services industry employment in the Nassau-Suffolk county area rose 1.3% from October 2000 to October 2001; during this same period, employment in the goods producing sector dropped 1.4%.

Employment in Non-Agricultural Establishments by Place of Work, Nassau-Suffolk Area

Industry	October 2001	% Change 10/00 to 10/01
Total Nonagricultural Employment	1,250,400	+0.9%
Service Producing	86% (of total employed)	+1.3%
Goods Producing	14% (of total employed)	-1.4%

(Source: Metropolitan Area Estimates, New York State Department of Labor)

The service industry represents a dominant 86% of non-agricultural employment in the Nassau-Suffolk county area.

Employment in Non-Agricultural Services Sector, by Place of Work Nassau-Suffolk Area

Major Service Producing Sectors	October 2001	% Change from 10/00 to 10/01
Total Service Producing	1,075,500	+1.3%
Retail Trade	21.3%	+1.3
Health Services	11.3%	+2.4
Government Education	10.6%	+1.6
Other Government	9.7%	+7.8
Wholesale Trade	8.2%	-0.3
Finance, Insurance, Real Estate	7.8%	-0.9
Transportation & Public Utilities	5.5%	+1.5
Educational Services	2.8%	+1.7
Government Hospitals	0.6%	+1.9

(Source: Metropolitan Area Estimates, New York State Department of Labor)

Lebenthal Municipal Research lists some of the major commercial and industrial employers in the Nassau-Suffolk area:

Major Employers in Nassau-Suffolk Area, April 1999

<u>Employer</u>	<u># of Employees</u>
North Shore Health System	12,656
Waldbaum's Supermarket Chain	6,500
Marketspan (formerly LILCO)	5,700
Bell Atlantic	5,500
Northrop Grumman Corp.	3,700

(Source: Lebenthal Municipal Research)

Suffolk County

Information from The Suffolk County Department of Labor provides us with an overview of the county's job market. From 1997 through 2000, three major industries (services, retail trade, and construction) accounted for about 70% of all Suffolk firms, with the services industry alone representing over one-third of all Suffolk firms. The private sector in the county is mostly comprised of small firms, with 90% of all firms employing fewer than 20 persons.

The Suffolk County Department of Labor surveyed employers in the county to determine which jobs and skills are in demand.

1999-2000 Employer Survey:

Top Suffolk County Job Openings by Level of Demand with Corresponding Average Hourly Rate

<u>Jobs</u>	<u># Employees Needed</u>	<u>Average Hourly Rate</u>
Sales Clerk	777	\$ 8.55
Cashier	537	6.71
Counselor, Mental Health	525	8.33
Truck/Van Driver	494	11.90
Sales Rep/Agent	457	14.38
Warehouse/Stock Person	429	7.43
Nurse Aide	414	9.33
Machine Operator, Production	402	9.11
Laborer General	377	9.56
Clerk/Typist	375	9.04
Computer Programmer	309	26.35
Waiter/Waitress	292	7.27
Teacher, Instructor	278	12.31
Receptionist	257	9.13
Administrative Assistant	256	12.22

(Source: Suffolk County Department of Labor, 1999 - 2000 Employer Survey)

The service industry accounts for one third of the jobs in Suffolk County. Retail trade, government and manufacturing jobs together represent 39% of total jobs in the County.

Top Suffolk County Industries by Number of Jobs, 1999

Total # of Jobs (full and part time)	723,618
<u>Industry</u>	<u>Percent of Total</u>
	%
Services	33
Retail Trade	15
Government	14
Manufacturing	10
Finance, Insurance, Real Estate	8
Wholesale Trade	6
Construction	6
Transportation, Public Utilities	4

(Source: U.S. Department of Commerce, Bureau of Economic Analysis)

Compared to the year before, the September 2001 labor data showed that while the labor force grew by 1.5%, employment rose at a slower rate of 1.1%, leaving the unemployment rate 0.3 higher at 3.6%.

Suffolk County Employment Statistics

	Labor Force	Employment	Unemployment	Unemployment Rate
September 2001	722,611	696,404	26,207	3.6
September 2000	712,729	689,109	23,620	3.3
Change from 2000 to 2001	+1.5%	+1.1%	+11.0%	+0.3

(Source: U.S. Bureau of Labor Statistics)

Suffolk County's September 2001 unemployment rate was 3.6%, up from last Sept's 3.1%. The impact from the World Trade Center disaster on local unemployment is yet to be determined.

Technology in Suffolk County

Even though Suffolk County is still predominantly comprised of traditional industrial sectors, the use of technology and the creation of high-tech products are growing. The county used the Bureau of Labor Statistics' definition of high-tech to determine that there are 66 different high-tech industries in Suffolk County ranging from computer related services to public relations services to dental equipment and supplies.

According to the Bureau of Labor Statistics and the New York State Department of Labor, at the close of 1998 about 6% of private sector businesses in Suffolk County were high-tech. The industry consisted of 2,497 firms that were primarily classified as small businesses, with 61% employing zero to three persons; however, four firms did employ over 1,000 persons each.

The high-tech industry pays almost twice the average hourly rate (\$20.06) compared to all sectors combined (\$11.69). Workers with training and education tend to get the best jobs in the high-tech industry. According to the Suffolk County Department of Labor 1999 – 2000 Employer Survey, the majority of high-tech occupations that pay well and offer advancement opportunities also require that the worker be able to function in a high

performance environment; workers typically have specialized training or a mid-to-high level of education.

1999-2000 Employer Survey:

Top 5 In-Demand Suffolk County Jobs in the High-Tech Sector with Corresponding Average Hourly Rate

Jobs	# Employees Needed	Average Hourly Rate
Machine Operator- Production	150	\$ 8.13
Computer Programmer	62	25.53
Clerk-Typist	39	9.91
Sales Rep/Agent	36	25.24
Engineer	34	23.38

(Source: Suffolk County Department of Labor, 1999 - 2000 Employer Survey)

Nassau County

Comparing employment statistics from September 2000 to September 2001, Nassau County's experience was almost identical to that of Suffolk County. The unemployment rate rose to 3.5% as the labor force growth outpaced that of employment.

Nassau County Employment Statistics

	Labor Force	Employment	Unemployment	Unemployment Rate
September 2001	694,514	670,518	23,996	3.5
September 2000	684,489	663,493	20,996	3.1
Change from 2000 to 2001	+1.5%	+1.1%	+14.3%	+0.4

(Source: US Bureau of labor Statistics)

Nassau County is comprised of traditional industrial sectors. In 1999, over half of the county's 766,660 jobs were concentrated in just two private sector industries – services and retail trade. Except for manufacturing, all of the industries listed below grew from 1998 to 1999; the manufacturing sector lost jobs due to declines in the local defense industry.

Top Nassau County Industries by Number of Jobs, 1999

Total # of Jobs (full and part time)	766,660
<u>Industry</u>	<u>Percent of Total</u>
	%
Services	38
Retail Trade	17
Finance, Insurance, Real Estate	13
Government	11
Wholesale Trade	6
Manufacturing	6
Construction	4
Transportation, Public Utilities	4

(Source: U.S. Department of Commerce, Bureau of Economic Analysis)

County Budget Crisis

Ranking among the highest counties in New York State and in the nation for income and housing values, Nassau County is known to have a wealthy population and a substantial economic base. However, despite its prosperity Nassau County has been experiencing a severe budget crisis since 2000.

Governor Pataki appointed Frank Zarb to review Nassau's fiscal health. In May 2000, Zarb found a budget shortfall of approximately \$178 million that was projected to expand annually. This report led to the formation of NIFA (Nassau Interim Finance Authority), which will oversee the movement of Nassau County towards fiscal responsibility. While significant budget cuts and county payroll lay-offs are expected, it is not yet known what effect this will have on the local employers and their labor forces.

In November 2001, Lebenthal Municipal Research reported that Nassau County had an estimated \$44 million deficit. Property tax increases, fee increases and budget cuts by Nassau County are expected to help cut this deficit.

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